

Settlement

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

COLLINS & AIKMAN CORPORATION, et al.,
DAVID A. STOCKMAN, J. MICHAEL STEPP,
GERALD E. JONES, DAVID R. COSGROVE,
ELKIN B. MCCALLUM, PAUL C. BARNABA,
JOHN G. GALANTE, CHRISTOPHER M.
WILLIAMS, and THOMAS V. GOUGHERTY,

Defendants.

Civil Action No. 07-2419

Honorable Shira A. Scheindlin

USDC SDNY
DOCUMENT
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DATE FILED: 2/2/10

STAY OF PROCEEDINGS AS TO DEFENDANT COSGROVE

Whereas plaintiff Securities and Exchange Commission ("Commission") has advised the Court that an agreement in principle that would resolve this matter has been reached with defendant David Cosgrove, and has requested that all discovery, motion practice, and other proceedings by or against defendant Cosgrove be stayed to allow the parties to finalize their agreement and seek final Commission approval; and

Whereas on January 28, 2010, the Court stayed proceedings as to all other defendants for 60 days, i.e., until March 29, 2010;

It is hereby ORDERED that all discovery, motion practice, and other proceedings in this matter relating to defendant Cosgrove are stayed until March 29, 2010.

Date: *2/2/10*

[Signature]
SHIRA A. SCHEINDLIN
United States District Judge



SECURITIES AND EXCHANGE COMMISSION
DIVISION OF ENFORCEMENT
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February 2, 2010

Via Fax

Honorable Shira A. Scheindlin
United States District Court for the
Southern District of New York
Room 1630, United States Courthouse
500 Pearl Street
New York, NY 10007

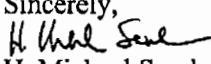
Re: SEC v. Collins & Aikman Corp. et al., No. 07-CV-2419

Dear Judge Scheindlin:

On January 28 the Court stayed all proceedings in this matter with regard to the eight defendants with whom the Commission had by that time reached agreements in principle.

The Commission has now also reached agreement with the final defendant, David Cosgrove, subject to final approval by the full Commission. Because it is likely that this matter will be resolved by settlement as to Cosgrove as well, the Commission requests that all proceedings relating to Cosgrove also be stayed. Mr. Cosgrove has stated that he does not oppose this request for stay.

Attached please find a proposed order staying proceedings with regard to defendant Cosgrove.

Sincerely,

H. Michael Semler

cc via email:
Andrew Weissman
David Swarts
David Cosgrove (pro se)
Solomon Wisenberg
Eileen McDonough
Michael Shapiro
James A. Mitchell
Karl Buch